

**ND ASSOCIATION OF COUNTIES FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2006**

	May-06				April-06				March-06				December-05				September-05				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Policy	Month	Market Value	Allocation	Policy	Month	Market Value	Allocation	Policy	Quarter	Market Value	Allocation	Policy	Quarter	Market Value	Allocation	Policy	Quarter	FYTD	FY05	Ended	Ended
				Net ROR				Net ROR				Net ROR				Net ROR				Net ROR	Net	Net	6/30/2005	6/30/2005
<b>LARGE CAP DOMESTIC EQUITY</b>																								
<i>Structured Growth</i>																								
Los Angeles Capital	30,100	4.2%	4.4%	-3.18%	25,771	4.4%	4.4%	0.31%	25,451	4.4%	4.4%	4.95%	18,378	4.0%	3.9%	3.06%	18,194	4.0%	3.9%	5.46%	10.77%	7.56%	N/A	N/A
<b>Total Structured Growth</b>	<b>30,100</b>	<b>4.2%</b>	<b>4.4%</b>	<b>-3.18%</b>	<b>25,771</b>	<b>4.4%</b>	<b>4.4%</b>	<b>0.31%</b>	<b>25,451</b>	<b>4.4%</b>	<b>4.4%</b>	<b>4.95%</b>	<b>18,378</b>	<b>4.0%</b>	<b>3.9%</b>	<b>3.06%</b>	<b>18,194</b>	<b>4.0%</b>	<b>3.9%</b>	<b>5.46%</b>	<b>10.77%</b>	<b>7.56%</b>	<b>7.46%</b>	<b>-9.18%</b>
Russell 1000 Growth				-3.39%				-0.14%				3.09%				2.96%				4.01%	6.54%	1.68%	7.26%	-10.36%
<i>Structured Value</i>																								
LSV	31,884	4.4%	4.4%	-2.65%	25,815	4.5%	4.4%	2.86%	26,352	4.6%	4.4%	6.53%	17,802	3.9%	3.9%	1.52%	18,320	4.1%	3.9%	5.06%	13.77%	18.35%	14.73%	14.78%
Russell 1000 Value				-2.53%				2.54%				5.93%				1.27%				3.88%	11.39%	14.06%	11.00%	6.55%
<i>Russell 1000 Enhanced Index</i>																								
LA Capital	58,658	8.2%	8.9%	-3.31%	47,851	8.2%	8.9%	0.41%	47,229	8.2%	8.9%	4.96%	36,508	8.0%	7.9%	2.29%	36,338	8.0%	7.9%	6.45%	10.97%	7.93%	N/A	N/A
Russell 1000				-2.95%				1.20%				4.49%				2.12%				3.95%	8.94%	7.92%	N/A	N/A
<i>S&amp;P 500 Enhanced Index</i>																								
Westridge	69,278	9.7%	8.9%	-2.86%	56,257	9.7%	8.9%	1.36%	55,013	9.6%	8.9%	4.25%	37,975	8.3%	7.9%	2.10%	35,183	7.8%	7.9%	3.64%	8.61%	6.58%	N/A	N/A
S&P 500				-2.88%				1.34%				4.21%				2.09%				3.60%	8.48%	6.32%	N/A	N/A
<i>Index</i>																								
State Street	21,235			-2.89%	17,247			1.34%	16,871			4.19%	11,653			2.07%	11,656			3.58%	8.41%	6.27%	8.22%	-2.45%
<b>Total Index</b>	<b>21,235</b>	<b>3.0%</b>	<b>3.0%</b>	<b>-2.89%</b>	<b>17,247</b>	<b>3.0%</b>	<b>3.0%</b>	<b>1.34%</b>	<b>16,871</b>	<b>2.9%</b>	<b>3.0%</b>	<b>4.19%</b>	<b>11,653</b>	<b>2.5%</b>	<b>2.6%</b>	<b>2.07%</b>	<b>11,656</b>	<b>2.6%</b>	<b>2.6%</b>	<b>3.58%</b>	<b>8.41%</b>	<b>6.27%</b>	<b>8.22%</b>	<b>-2.45%</b>
S&P 500				-2.88%				1.34%				4.21%				2.09%				3.60%	8.48%	6.32%	8.28%	-2.37%
<b>TOTAL LARGE CAP DOMESTIC EQUITY</b>	<b>211,155</b>	<b>29.4%</b>	<b>29.7%</b>	<b>-3.01%</b>	<b>172,942</b>	<b>29.8%</b>	<b>29.7%</b>	<b>1.17%</b>	<b>170,915</b>	<b>29.7%</b>	<b>29.7%</b>	<b>4.88%</b>	<b>122,316</b>	<b>26.7%</b>	<b>26.3%</b>	<b>2.20%</b>	<b>119,691</b>	<b>26.5%</b>	<b>26.3%</b>	<b>4.97%</b>	<b>10.40%</b>	<b>8.89%</b>	<b>9.59%</b>	<b>-0.28%</b>
S&P 500				-2.88%				1.34%				4.21%				2.09%				3.60%	8.48%	6.32%	8.28%	-2.37%
<b>SMALL CAP DOMESTIC EQUITY</b>																								
<i>Manager-of-Managers</i>																								
SEI	83,931	11.7%	12.1%	-5.62%	71,513	12.3%	12.1%	0.28%	71,297	12.4%	12.1%	13.21%	40,104	8.7%	8.8%	0.95%	39,673	8.8%	8.8%	5.46%	14.08%	9.32%	13.32%	N/A
Russell 2000 + 200bp				-5.45%				0.15%				14.49%				1.64%				5.21%	15.93%	11.64%	15.07%	N/A
<b>TOTAL SMALL CAP DOMESTIC EQUITY</b>	<b>83,931</b>	<b>11.7%</b>	<b>12.1%</b>	<b>-5.62%</b>	<b>71,513</b>	<b>12.3%</b>	<b>12.1%</b>	<b>0.28%</b>	<b>71,297</b>	<b>12.4%</b>	<b>12.1%</b>	<b>13.21%</b>	<b>40,104</b>	<b>8.7%</b>	<b>8.8%</b>	<b>0.95%</b>	<b>39,673</b>	<b>8.8%</b>	<b>8.8%</b>	<b>5.46%</b>	<b>14.08%</b>	<b>9.32%</b>	<b>13.32%</b>	<b>5.50%</b>
Russell 2000				-5.62%				-0.02%				13.94%				1.13%				4.69%	13.84%	9.45%	12.81%	5.71%
<b>INTERNATIONAL EQUITY</b>																								
<i>Large Cap - Active</i>																								
Capital Guardian	35,634	5.0%	5.3%	-5.43%	31,744	5.5%	5.3%	2.35%	30,651	5.3%	5.3%	7.18%	21,031	4.6%	4.0%	9.64%	18,883	4.2%	4.0%	12.11%	27.52%	10.32%	7.44%	-3.80%
LSV	37,500	5.2%	5.3%	-4.24%	33,058	5.7%	5.3%	3.09%	31,837	5.5%	5.3%	11.19%	18,675	4.1%	4.0%	4.29%	19,023	4.2%	4.0%	11.20%	27.31%	N/A	N/A	N/A
<b>Total Large Cap - Active</b>	<b>73,133</b>	<b>10.2%</b>	<b>10.6%</b>	<b>-4.82%</b>	<b>64,802</b>	<b>11.2%</b>	<b>10.6%</b>	<b>2.73%</b>	<b>62,489</b>	<b>10.9%</b>	<b>10.6%</b>	<b>9.17%</b>	<b>39,706</b>	<b>8.7%</b>	<b>8.0%</b>	<b>6.96%</b>	<b>37,906</b>	<b>8.4%</b>	<b>8.0%</b>	<b>11.67%</b>	<b>27.49%</b>	<b>13.23%</b>	<b>12.39%</b>	<b>7.26%</b>
MSCI EAFE - 50% Hedged				-4.66%				2.85%				9.20%				5.84%				11.07%	25.88%	14.41%	8.84%	-2.61%
<i>Small Cap - Value</i>																								
Lazard	9,675	1.3%	1.3%	-5.10%	8,213	1.4%	1.3%	4.70%	8,207	1.4%	1.3%	10.94%	4,663	1.0%	1.0%	3.01%	4,547	1.0%	1.0%	9.94%	24.84%	18.18%	N/A	N/A
Citigroup Broad Market Index < \$2BN				-5.40%				4.70%				9.34%				8.94%				12.05%	32.18%	21.33%	N/A	N/A
<i>Small Cap - Growth</i>																								
Vanguard	10,316	1.4%	1.3%	-4.93%	8,743	1.5%	1.3%	5.50%	7,934	1.4%	1.3%	13.70%	4,815	1.0%	1.0%	4.92%	4,600	1.0%	1.0%	10.41%	32.11%	24.11%	N/A	N/A
Citigroup Broad Market Index < \$2BN				-5.40%				4.70%				9.34%				8.94%				12.05%	32.18%	21.33%	N/A	N/A
<b>TOTAL INTERNATIONAL EQUITY</b>	<b>93,124</b>	<b>13.0%</b>	<b>13.3%</b>	<b>-4.86%</b>	<b>81,758</b>	<b>14.1%</b>	<b>13.3%</b>	<b>3.22%</b>	<b>78,630</b>	<b>13.7%</b>	<b>13.3%</b>	<b>9.81%</b>	<b>49,184</b>	<b>10.7%</b>	<b>10.0%</b>	<b>6.37%</b>	<b>47,053</b>	<b>10.4%</b>	<b>10.0%</b>	<b>11.37%</b>	<b>27.75%</b>	<b>15.34%</b>	<b>10.62%</b>	<b>-2.10%</b>
MSCI EAFE - 50% Hedged				-4.66%				2.85%				9.20%				5.84%				11.07%	25.88%	14.41%	8.84%	-2.61%
<b>DOMESTIC FIXED INCOME</b>																								
<i>Core Bond</i>																								
Western Asset	100,520	14.0%	13.3%	-0.32%	77,943	13.4%	13.3%	-0.24%	78,121	13.6%	13.3%	-0.44%	77,302	16.8%	16.7%	0.28%	76,346	16.9%	16.7%	-0.41%	-1.12%	7.14%	7.36%	8.59%
Lehman Aggregate				-0.11%				-0.18%				-0.65%				0.59%				-0.67%	-1.02%	6.80%	5.75%	7.40%
<i>Index</i>																								
Bank of ND	90,678	12.6%	13.3%	0.06%	69,709	12.0%	13.3%	-0.32%	69,927	12.2%	13.3%	-0.95%	69,549	15.2%	16.7%	0.56%	70,590	15.6%	16.7%	-0.72%	-1.38%	4.59%	5.83%	7.36%
Lehman Gov/Credit (1)				-0.06%				-0.31%				-1.01%				0.60%				-0.96%	-1.74%	4.80%	5.82%	7.35%
<i>BBB Average Quality</i>																								
Wells Capital (formerly Strong)	100,479	14.0%	13.3%	-0.35%	77,580	13.4%	13.3%	-0.39%	77,859	13.5%	13.3%	-1.02%	77,141	16.8%	16.7%	0.58%	75,480	16.7%	16.7%	-1.05%	-2.21%	9.14%	9.20%	N/A
Lehman US Credit BAA				-0.41%				-0.36%				-1.20%				0.39%				-0.97%	-2.53%	8.60%	9.42%	N/A
<b>TOTAL DOMESTIC FIXED INCOME</b>	<b>291,677</b>	<b>40.7%</b>	<b>40.0%</b>	<b>-0.21%</b>	<b>225,231</b>	<b>38.8%</b>	<b>40.0%</b>	<b>-0.31%</b>	<b>225,907</b>	<b>39.3%</b>	<b>40.0%</b>	<b>-0.79%</b>	<b>223,992</b>	<b>48.8%</b>	<b>50.0%</b>	<b>0.46%</b>	<b>222,415</b>	<b>49.3%</b>	<b>50.0%</b>	<b>-0.73%</b>	<b>-1.58%</b>	<b>6.14%</b>	<b>6.59%</b>	<b>7.79%</b>
Lehman Aggregate (2)				-0.11%				-0.18%				-0.65%				0.59%				-0.67%	-1.02%	7.26%	6.41%	7.70%
<b>CASH EQUIVALENTS</b>																								
Bank of ND	37,225	5.2%	5.0%	0.46%	28,672	4.9%	5.0%	0.37%	28,549	5.0%	5.0%	1.17%	23,369	5.1%	5.0%	1.07%	22,772	5.0%	5.0%	0.93%	4.06%	2.46%	1.74%	2.68%
90 Day T-Bill				0.43%				0.34%				1.03%				0.92%				0.83%	3.60%	2.15%	1.55%	2.62%
<b>TOTAL NDACo FUND</b>	<b>717,113</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-2.33%</b>	<b>580,117</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.72%</b>	<b>575,297</b>	<b>100.0%</b>	<b>100.0%</b>	<b>3.50%</b>	<b>458,965</b>	<b>100.0%</b>	<b>100.0%</b>	<b>1.54%</b>	<b>451,604</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.61%</b>	<b>6.09%</b>	<b>7.19%</b>	<b>8.76%</b>	<b>3.64%</b>
POLICY TARGET BENCHMARK				-2.17%				0.72%				3.34%				1.59%				2.16%	5.68%	7.01%	8.01%	3.81%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.